

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

AUTO INDUSTRIES SUPPLIER
EMPLOYEE STOCK OWNERSHIP
PLAN (ESOP),

Plaintiff,

v.

Case No. 03-74357

SNAPP SYSTEMS, INC.,

HONORABLE AVERN COHN

Defendant/Third-Party Plaintiff,

v.

FORD MOTOR COMPANY, SUSAN E.
KOBET, DIANE SENDEK MARCHESE,
CARMEN ZIRLES, and JEFFREY D.
COLLINS,

Third-Party Defendants.

**ORDER DENYING SNAPP'S MOTION OBJECTING TO FORD'S ATTEMPT TO
DEVIATE FROM THE GOVERNING CONTRACTS**

This is a complex commercial dispute. After extensive motion practice, the only claim remaining is for breach of contract. There are three contracts at issue: (1) the 1995 Framework Agreement, as amended in 1996; (2) the Master Lease Agreement; and (3) the 1999 Transition Agreement.

The parties are currently in the process of examining SNAPP's damage expert, Thomas A. Frazee, and other SNAPP witness who are expected to testify at trial regarding SNAPP's claimed damages.

On February 25, 2008, SNAPP filed a motion styled Motion Objecting to Ford's

Attempt to Deviate From The Governing Contracts. SNAPP seeks a ruling that Ford not be permitted to question SNAPP's damage witnesses regarding any alleged oral contracts or unsigned agreements outside of the three contracts listed above.

On March 26, 2008, Ford filed a response to the motion. Ford says that the motion is a preemptive attempt to prevent it from questioning SNAPP's damage witnesses (Frazee and others) regarding claimed damages, particularly relating to the IMPACT and I-RaMPP programs. These programs are the subject matter of separate contracts so far as the Court can discern. Ford agrees with SNAPP as to the contracts at issue and states that the IMPACT and I-RaMPP programs are separate programs governed by contracts which are not at issue in the case. However, Ford says that SNAPP is trying to recover damages under those contracts and Ford is entitled to examine SNAPP's damage witnesses to demonstrate SNAPP's damages are flawed in this respect.

The motion is DENIED.

Ford has the right to examine SNAPP's damage witnesses regarding the IMPACT and I-RaMPP programs in determining damages which SNAPP says result from a breach of those contracts and whether such damages, particularly costs savings, are recoverable.

SO ORDERED.

Dated: April 3, 2008

s/Avern Cohn
AVERN COHN
UNITED STATES DISTRICT JUDGE

I hereby certify that a copy of the foregoing document was mailed to the attorneys of record on this date, April 3, 2008, by electronic and/or ordinary mail.

s/Julie Owens
Case Manager, (313) 234-5160